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REMARKS BY

U.S. AMBASSADOR DAN MOZENA AT THE FEDERATION OF BANGLADESH CHAMBERS OF COMMERCE AND INDUSTRY (FBCCI) PLENARY SESSION

**DHAKA
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Just over forty years ago, Bangladesh won its independence and the profound respect of the international community. Early friends of Bangladesh like Senator Edward M. Kennedy were honored to come to Bangladesh to share in the tremendous optimism and hope of a courageous and unified people.

In a speech delivered at Dhaka University on February 14, 1972, a speech that some of you in this room may have attended, Senator Kennedy said, “For generations to come, the story of Bangladesh will be a lesson to the world... Freedom is yours and the future belongs to the people of a new Bengali nation.”

Today, following two decades of sound economic policy and sustained annual growth averaging 6 percent, major strides in agricultural production, advances in alleviating poverty and improving health, Bangladesh is still a fountain of opportunity and hope. The future still belongs to Bangladesh and my government and American businesses are glad to be part of this future.

In Washington, Bangladesh has developed a reputation as a development innovator; home to a vast and vibrant civil society; a moderate, secular, tolerant, democratic alternative

to violent extremism in a troubled region; a positive force for regional cooperation and integration; and a leading contributor to UN Peacekeeping.

On Wall Street, Bangladesh's stock has risen as one of the next emerging markets, home of a resilient, hard working workforce, a successful garment and labor exporter, and a possible major beneficiary of shifts in manufacturing from China and other areas of Asia and beyond. On commercial streets across America and around the world, high-quality Bangladeshi garments, textiles and leather goods are becoming increasingly familiar to merchants and consumers.

The world is waking up to a New Bangladesh. As I declared in Chittagong a couple of months back, Bangladesh is poised to be the next Asian tiger, the Bengal Tiger; poised to reach its goal of achieving middle income status in the next decade or so; poised to achieve its dream of the Golden Bangladesh.

The Bengal Tiger I envision would be the world's biggest exporter of high quality ready-made garments, the world's biggest exporter of household textiles, an important global player in the IT sector, a major builder of small freighters, a leading producer of generic pharmaceutical products, a huge global supplier of raw silk and silk products, and an exporter of fine finished leather goods.

The Bengal Tiger I envision would be a strategic regional commercial hub in the Bay of Bengal, linking South Asia with China and Southeast Asia and beyond.

The Bengal Tiger I envision is the home of a well-educated, trained and healthy workforce, which is hard at work promoting development both in Bangladesh and in many other countries.

The Bengal Tiger I envision is home to an increasingly diverse, efficient and productive agricultural sector that produces ample food supplies to achieve food self-sufficiency and ensure all Bangladeshis benefit from balanced, nutritious diets.

This Bengal Tiger is no mythological creature.

This Bengal Tiger could proudly strut across the global economic stage within a decade or so.

I am not alone in this belief. The McKinsey report documents Bangladesh's potential to become the world's greatest exporter of ready-made garments and household textiles.

Goldman Sachs cited Bangladesh as one of the next eleven emerging markets. Entrepreneurs in the IT, ship building, pharmaceutical, leather, silk and other emerging sectors teem with optimism about a bright future for their respective sectors.

Even first-time visitors to Bangladesh are touched by the energy, creativity of the people, by the relentless buzz of entrepreneurs hard at work, the optimism of the country's citizens and their determination to get ahead and, more importantly, to educate their children, so they will have even greater opportunity.

Indeed, Bangladesh is blessed in so many ways:

- It is unified by a rich culture and a shared language;
- Its culture values education, enterprise and hard work;
- The people are energetic, dynamic, creative, entrepreneurial and resilient; and
- Natural resources are abundant: fertile land, ample water, significant reserves of natural gas, huge deposits of high-grade coal, to name a few.

I believe it is time for the world's seventh largest country to take its rightful place in the global economy.

This, however, will not happen automatically. Sustained six percent annual growth is a remarkable achievement, but it is not enough. To reach the next gear in the economy, Bangladesh must create an environment conducive to attracting massive inflows of investment and greatly expanding trade, just as its neighbors have done in Northeast and Southeast Asia. It must continue to develop the Bangladesh brand.

As business people, you know the challenges that stand in the way, and I am eager to hear your views after these remarks. But imagine for a moment the following scenarios and the opportunities they would present for your own businesses and others in the years to come:

- A modern and efficient Chittagong Port, with a supporting network of modern roads, rail and barge transportation between Chittagong and Dhaka;
- A broader network of modern roads and bridges connecting the capital and port to other major cities and population centers, as well as to neighboring countries;

- Abundant supplies of gas, coal and power to drive a massively growing economy;
- Improved rule of law with fair, credible and efficient mechanisms to resolve commercial disputes;
- An investment climate that invites, encourages and facilitates the influx of huge amounts of investment that creates jobs and raises the standard of living;
- A stable, thriving democracy based on mutually agreed ground rules; and
- An even more productive and diverse agricultural sector that achieves food security for Bangladesh and ensures well balanced and nutritious diets for all its citizens, plus moves into adding value for export products.

None of these scenarios is easy, but all are possible. There is no magic wand to make them happen. Only joint efforts from all sectors -- the business community, government, civil society and the international community – can make them reality.

America is here as your partner in this effort, both as a major development partner, and as a major trading and investment partner.

America will invest \$1 billion in development assistance to Bangladesh over the five years. Bangladesh is one of a few countries that are the focus of all three U.S. presidential development initiatives to promote food security, improve health, and address climate change. At the heart of these programs is the Feed the Future initiative, which aims to increase agricultural production, improve access to food and foster better nutrition. Feed the Future and our large health programs promote a healthier Bangladesh, which of course is essential to expanded prosperity. Other assistance in the area of good governance is working closely with the government and broader society to support the strengthening of the rule of law.

The United States is Bangladesh's largest direct foreign investor, and last year our bilateral trade grew to over \$6 billion for the first time, supporting millions of jobs in Bangladesh. Some of our largest and most respected companies are making important investments, particularly in the energy and power sectors, and others are pursuing new opportunities emerging in the transportation sector and elsewhere. We are proud they recognize the potential of Bangladesh and are contributing to the country's development by

sharing best business practices, knowledge and technology, and corporate America's spirit of social responsibility.

I am pleased that smaller American investors, particularly Bangladeshi Americans, are increasingly turning their attention to Bangladesh.

America truly is your partner in realizing a Golden Bangladesh, but Bangladesh must lead the way.

I am pleased that the Government of Bangladesh shares the same vision for Bangladesh's future and is addressing some of these challenges.

The Government has made some difficult decisions to that end, such as increasing energy prices to reduce market-distorting subsidies in the energy and power sectors. Although painful in the short-term, these measures will encourage greater investment in energy supply and improve economic fundamentals.

Soon we hope to conclude a bilateral Trade and Investment Cooperation Forum Agreement, which will establish a forum that will identify and address obstacles for increased trade and investment between the two countries.

As business leaders, you have a key role to play. You understand the challenges better than any of us. You understand the culture and political dynamics. You have political influence and business networks. You are the engines that will drive the economic policy agenda on the right path. FBCCI, of course, is critical in advocating for changes that will help unleash the economic potential of this mighty country.

I wish you individually as leading businessmen and prominent leaders of the nation and you collectively as members of FBCCI the very best as you endeavor to build the new Bangladesh, the Golden Bangladesh, the middle-income Bangladesh that brings the wonderful people of this great nation ever greater hope and optimism that tomorrow will bring a better quality of life for themselves and their children.

Thank you.

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